

claim 6
ondent
top of
r, after
Patent
m was
der the
and the
al., 297

cies in
shown
rb our

itioner.

UNITED STATES PATENT OFFICE

Patent Office Building
Washington, D. C.

Vol. 100

RENEWABLE ENERGY SYSTEM

THE ENERGY AND RADIATION MANUFACTURING
COMPANY,

BRIEF FOR RESPONDENT IN OPPOSITION TO
PETITION FOR WRIT OF HABEAS CORPUS

ARTHUR H. SOUTHERN
Counsel for Respondent

100 W. Jackson Blvd.,
Chicago 4, Illinois
August 27, 1942

SUBJECT INDEX.

	PAGE
Statement	1
Argument	4
The Petition	
Re Petitioner's "Summary Statement of Matter Involved"	4
Re Petitioner's Four "Questions Involved"	5
Re Petitioner's Six "Reasons for Granting the Writ"	7
Reply to Petitioner's Brief	8
Re Petitioner's "Statement"	8
Re Petitioner's Nine "Specifications of Errors"	9
Re Petitioner's "Argument"	11
I	11
II	14
III	15
IV	16
V	17

TABLE OF CASES

CITED

American Construction Company v. Jacksonville, Tampa and Key West Railway Company, 148 U. S. 372	6
--	---

Frasch v. Moore, 211 U. S. 1	5
Magnum Import Company, Inc., v. Coty, 262 U. S. 159	6
Sperry v. Aufiero et al. (v. Mayo), 134 F. (2d) 174....	2
Universal Oil Products Co. v. Globe Oil & Refining Co., 322 U. S. 471.....	12

REFERRED TO

Halliburton Co. v. Walker, 329 U. S. 1.....	7, 10, 17
Morgan v. Daniels, 153 U. S. 120.....	11, 13
Sinclair Co. v. Interchemical Corporation, 325 U. S. 327	14
Sperry v. Payne v. Teschner, 141 F. (2d) 816.....	4
Radio Corporation of America et al. v. Radio En- gineering Laboratories, Inc., 293 U. S. 1.....	9
Refrigeration Patents Inc. v. Stewart-Warner, 159 F. (2d) 972	8, 10, 17

Opinions of the Courts Below.

The opinion of the District Court is reported, *Excel v. Bishop and Babcock Mfg. Co.*, 73 U.S.P.Q., 475, and the opinion of the Circuit Court of Appeals for the Sixth Circuit is reported, *Excel v. Bishop and Babcock Mfg. Co.*, 167 F. 2d 962.

IN THE
SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1948.

No. 162

EXCEL AUTO RADIATOR COMPANY,

Petitioner,

vs.

**THE BISHOP AND BABCOCK MANUFACTURING
COMPANY,**

Respondent.

**BRIEF FOR RESPONDENT IN OPPOSITION TO
PETITION FOR WRIT OF CERTIORARI.**

Respondent is here confronted with a petition which is a work of confusion, permeated by argument. We shall treat such argument appropriately in our Argument to follow, but firstly in clarification and correction we make this

Statement.

The application for the Mayo patent in suit, for an automobile heater, was filed March 28, 1936 (R. pp. 33, 135).

In March 1937, Sperry, plaintiff's (petitioner's) general manager (since deceased), filed his patent application, assigning it to plaintiff (R. pp. 33, 143).

The Patent Office, finding common patentable subject matter in the two applications, placed them in interference, No. 73,751 (Def. Ex. I, R. p. 40) with six counts (claims). Mayo prevailed before the Patent Office tribunals and the Court of Customs and Patent Appeals (134 F. 2d 174), and the Mayo patent went to issue with those six counts as six of its thirteen claims.

Plaintiff (petitioner), in the instant suit, pleaded prior invention by Sperry (Complaint, Par. 7, R. pp. 5-6).

A pre-trial stipulation (March 18, 1946) provided (R. p. 17) that the depositions taken on behalf of Sperry, in said Interference No. 73,751, and accompanying exhibits,

“may be offered in evidence in this cause by plaintiff to all intents as though said depositions had been taken herein pursuant to the Rules of Civil Procedure for the District Courts of the United States.
• • •”

Subsequently, pre-trial, defendant (respondent) took depositions (R. pp. 88-133) for purpose of disproof of the Sperry story as told in said depositions for Sperry.

At the trial, plaintiff offered said depositions for Sperry in evidence (Pl. Ex. 20, R. pp. 32-33), counsel for plaintiff adding (R. p. 33):

“Might I say we are not challenging what the Patent Office decided in the interference, and we are not asking for a re-decision of the Patent Office interference. It is just they are dictionary out of which certain things must be examined.”

The said depositions for Sperry were duly received in evidence.

No other evidence was adduced by plaintiff (petitioner) in support of its allegations of prior invention by Sperry.

Notwithstanding the above-quoted statement of plaintiff's counsel that they were not challenging what the Patent Office decided in the *Sperry v. Mayo* interference (73,751), they did not withdraw Paragraph 7 of the Complaint (R. p. 33), and defendant, when it came to its case, offered its above-mentioned depositions taken by it herein, with attendant exhibits (R. pp. 39, 43, 46), and the same were duly received in evidence.

Another paragraph (Par. 6, R. p. 19) of the said stipulation of March 18, 1946, makes reference to the printed transcripts of record (before the Court of Customs and Patent Appeals) in three other interferences, identified as Patent Appeal Docket No. 4776, No. 4777 and No. 4778 (Pl. Ex. 17, 18, 19; R. p. 32), the provision being that such transcripts, and accompanying exhibits, "may be offered by either party as exhibits, for the purpose of informing this Court of the record and exhibits upon which the decisions of said United States Court of Customs and Patent Appeals reported in 61 U. S. P. Q. 179-187 were rendered, but subject to the right of the other party to object to all or any parts thereof on the grounds of immateriality or irrelevancy."

Those three interferences had to do with other and subsidiary features claimed in the Sperry application and in one or both of two other applications (Payne and Teschner) owned or controlled by defendant (respondent). The issues there were those of priority, as between Sperry on the one hand, and Payne or Teschner on the other, and as to those particular features.

Plaintiff (petitioner) offered the three transcripts, with attendant further exhibits, and defendant (respondent) made objection on the ground of immateriality and irrelevancy (Rec. pp. 26-32), the Court deferring ruling and ultimately sustaining the objection (R. 435, 438).

The Court of Appeals affirmed that ruling (R. p. 460).

ARGUMENT.

It is in order, before proceeding to reply to petitioner's Argument beginning on Page 14, to comment on certain statements made in the preceding portions of petitioner's brief, and, indeed, in the petition itself.

The Petition.

Re Petitioner's "Summary Statement of Matter Involved".

Although the patented heater has been widely adopted in the automobile industry (Finding of Fact 7, R. p. 434) the statement on Page 2 of the petition that it "is one used in the great majority of automobiles" is mere assertion by petitioner's counsel. It has no foundation in the record.

Their statement (p. 2) that the device "is two separate and distinct devices driven by one motor but mounted in *one* framework" is repetition of unsuccessful argument below on their allegation of aggregation.

Their statement (p. 2) that the patent in suit was "indicated" as invalid in the decisions of the Court of Customs and Patent Appeals in the Sperry-Payne-Teschner interferences referred to above (61 U.S.P.Q. 179-187, 141 F. 2d 816), made on Page 2 and repeatedly thereafter in their petition and brief, is a lawless attempt to endow opinion appraisal of evidence in another case, not involving the patent in suit or the same issues, with the force and effect of a judgment *contra* the one entered here. (Even the final judgment in the pertinent

Sperry-Mayo Interference 73,751 is not *res adjudicata* here. *Frasch v. Moore*, 211 U. S. 1, 9.)

What follows, for a page and a half, is sheer argument and assertion by counsel, repetition of their presentation below.

The point made at the bottom of Page 3 will be treated in Section V to follow.

The point made in the first paragraph on Page 4 is obviously without merit.

The statement in the second paragraph on Page 4 is repetition of unsuccessful argument below on plaintiff's contention of non-infringement.

The statement in the third paragraph on Page 4 is repetition of unsuccessful argument below on plaintiff's allegation of aggregation.

The statement in the fourth paragraph on Page 4 is another mere assertion by petitioner's counsel. It has no foundation in the record. If petitioner's counsel count on judicial notice being taken in this regard, we may be permitted to state that automobile heaters are made in several circuits in addition to the Sixth.

Re: Petitioner's Four "Questions Involved".

(Pages 4-5)

As to No. 1.

We do not see how there can be any such question as the one posed. Firstly, the Court of Appeals did not "overrule" the Court of Customs and Patent Appeals. It is in no position to do so. The decisions by the Court of Customs and Patent Appeals, which counsel refer

to, were decisions of priority as between Sperry and Teschner or Payne, and as to features peculiar to those cases. The decision of the Court of Appeals here does not and can not alter them. Secondly, the judgments of the Court of Customs and Patent Appeals in those cases must rest on the evidence in those cases, and the judgment of the Court of Appeals here must rest on the evidence in this case.

As to No. 2.

We do not see how there can be any such question here. The accused device does not operate "upon an entirely different principle", and so both Courts below held; they held infringement, and not "simply because the patent contains 'means' claims which can be made to read on the device"; the decisions below speak for themselves in that regard (R. pp. 431, 432, 433, 458, 464, 467, 468).

Petitions for writs of certiorari are not granted merely to give the defeated party in the Circuit Court of Appeals another hearing.

American Construction Company v. Jacksonville, Tampa and Key West Railway Company, 148 U. S. 372, 382.

Magnum Import Company, Inc. v. Coty, 262 U. S. 159, 163.

As to No. 3.

This is another question which was submitted and decided below, and another hearing should be denied.

American Construction Company v. Jacksonville, Tampa and Key West Railway Company, and *Magnum Import Company, Inc. v. Coty*, *supra*.

As to No. 4.

Upon the handing down, by the Court of Appeals, of its opinion in this case, respondent filed, in the Patent Office, disclaimer of Claim 6 (suggested to Mayo by the Patent Office for purpose of interference) of the patent in suit (publication in Official Gazette August 17, 1948).

Petitioner's point is that respondent should have disclaimed it upon the handing down of the decisions by the Court of Customs and Patent Appeals in the Sperry-Payne-Teschner cases.

The point is so far-fetched that special comment thereon is unnecessary here. (See Section IV, following).

Re Petitioner's Six "Reasons for Granting the Writ."

(Pages 5-6)

We comment on these in their order.

1. Our above comments as to petitioner's Question No. 1 apply here.

2. Our above comments as to petitioner's Question No. 1 apply here also.

3. Our above observation as to petitioner's Question No. 4 applies here.

4. As already pointed out, there is no basis in the record for this; and if petitioner's counsel count on judicial notice being taken in this regard, we may be permitted to state that automobile heaters are manufactured in circuits other than the Sixth and are installed and used across the entire country.

5. Our above comments as to petitioner's Question No. 2 apply here. The decision by the Court of Appeals in this case is not contrary to *Halliburton v. Walker*, 329

U. S. 1, or *Refrigeration Patents Inc. v. Stewart Warner*, 159 F. 2d 972, as will be pointed out in Section V to follow.

6. Petitioner's statement (p. 2) that the device here involved "is one used in the great majority of automobiles" is without foundation in the record.

REPLY TO PETITIONER'S BRIEF.

We shall address ourselves firstly to a few comments on petitioner's "Statement", Pages 8-9.

On Page 8, petitioner states that the Sperry patent application was for a device "operating upon a novel and entirely different principle". That is not correct, the two Courts below decided to the contrary, and it will be remembered that petitioner contested the Sperry-Mayo interference (73, 751), for six claims which became claims of the Mayo patent in suit, through the Patent Office and the Court of Customs and Patent Appeals, with all decisions against it to finality in the latter.

The next four paragraphs (pp. 8-9) are argument of no moment here. There are no findings of fact here that there was any such activity by Sperry in 1935,—good, bad or indifferent. Were there foundation, counsel for petitioner should have sought such findings; but that they avoided.

Come now to the next paragraph (fourth full paragraph on Page 9):

What do petitioner's counsel mean by saying "In the course of the above proceedings" etc.? Sperry did not come into the interference proceedings until June 28, 1937 (at the earliest) (Pl. Ex. 35, R. p. 35), and Payne filed his patent application February 27, 1937 (Pl. Ex. 30, R. pp. 34, 317).

Petitioner's counsel's saying that Payne filed "about eleven months after the filing of the Sperry application" is an inadvertence on their part. Payne filed *before* Sperry filed.

As to the next argument of petitioner, from the bottom of Page 9 to the top of Page 11, it is enough to point out that petitioner's counsel did not offer the so-called elaborating additional evidence in the instant case; they purposefully avoided doing that.

The first full paragraph on Page 11 is unprincipled misstatements. The Court of Appeals did not exclude any "prior inventorship evidence". Nor did the District Court. No prior inventorship evidence was offered except the six depositions for Sperry from Interference 73, 751 (R. p. 32, Pl. Ex. 20) and the attendant exhibits (Pl. Ex. 1-11, R. pp. 26-31).

The three transcripts of Interference 75,056, 75,057 and 75,058 (Patent Appeal Docket No. 4776, No. 4777 and No. 4778) are not prior inventorship evidence; and it is clear that the Court of Appeals excluded those transcripts (for any purpose) because the applicants opposing Sperry in those cases were other than the inventor at bar and because the subject matter was other than that here involved (R. p. 460). The position of the Court of Appeals is correct and *Radio Corporation of America et al. v. Radio Engineering Laboratories*, 293 U. S. 1, so far as we can see, contains nothing to the contrary.

With reference to petitioner's nine "Specification of Errors" (pp. 11-13) we shall comment briefly on them in their order:

1. Our above comments as to petitioner's Question No. 1 apply here.

2. Our comments just above, as to the first full paragraph on Page 11, apply here.

3. Petitioner's counsel do not say what they meant to say (they apparently did not intend to use the word "not" in the second line). However, taking the sentence as apparently intended, it certainly was petitioner's burden, would it allege invalidity of the patent in suit, to prove it.

4. Firstly, our comments above, as to petitioner's Question No. 1, apply here. Secondly, the detail of which petitioner makes point did not alter the overall appraisal and conclusion of the Court of Appeals, as evidenced by the fact that petitioner made the same point in its petition for rehearing (R. pp. 469-475), and the Court saw fit to pass it by. Thirdly, counsel for petitioner has no right to comment upon respondent's reply to petitioner's petition for rehearing without including it in the record; however, in order to make it available to this Court, we include a reproduction of it as an appendix hereto.

5. Our comments above, as to petitioner's Question No. 4, apply here.

6. Our comments above, as to petitioner's Question No. 2, apply here. Also, the decision by the Court of Appeals in this case is not contrary to *Halliburton v. Walker* or *Refrigeration Patents Inc. v. Stewart Warner*, as will be pointed out in Section V to follow. (Incidentally the Court applied the doctrine of the *Halliburton* case to claim 6).

7. Our above comments as to petitioner's Question No. 1 apply here.

8. Petitions for writs of certiorari are not granted merely to give the defeated party in the Circuit Court of Appeals another hearing.

9. Petitions for writs of certiorari are not granted merely to give the defeated party in the Circuit Court of Appeals another hearing.

And now to petitioner's "Argument"

I.

(Pages 14-16)

In giving their reasons for contending "that this case comes under the doctrine of *Morgan v. Daniels*, 153 U. S. 120 and is paralled to one in which two Circuit Courts of Appeals have differed", petitioner's counsel start out by saying (p. 14) that Sperry constructed various embodiments of the device in suit in the year 1935.

There is no finding of fact to that effect.

That is mere assertion by petitioner, denied by respondent.

The pertinent findings of fact are as follows (R. p. 435):

"9. The only evidence adduced by plaintiff under Paragraph 7 of its Complaint, in which it alleges prior invention by one Philmore F. Sperry, is the same evidence adduced on behalf of said Sperry in Patent Office Interference No. 73751, involving said Sperry and said Mayo, on subject matter involved here, and, in that interference, said Mayo was found to be the first inventor of said subject matter."

• • •

"11. Plaintiff has not shown invention, prior to invention by said Mayo, of the subject matter of any of the claims of said Letters Patent No. 2,322,041, by said Sperry or any other".

And the Court of Appeals forcefully affirmed the District Court in this regard.

Petitioner presumes now to reargue this issue. This Court, as we understand it, ordinarily accepts concurrent findings of the District Court and Circuit Court of Appeals on factual matters.

Universal Oil Products Co. v. Globe Oil Refining Co., 322 U. S. 471.

Petitioner's statement (p. 15) that "three technically informed tribunals" held the Sperry devices to have been in existence in 1935 must be taken with a grain of salt; viewed fairly and as a whole, these decisions say that, even taking the Sperry story as true, he can not prevail.

The statement of petitioner's counsel on Page 15 that the Sperry device "operated upon an entirely different and novel principle not disclosed in the Mayo patent application" is again mere assertion of counsel and reiteration of their arguments below. The findings of fact (Nos. 22-25, R. pp. 436-437), on the evidence, are directly to the contrary.

Coming to the third full paragraph on Page 15, what do petitioner's counsel mean by saying "During the course of the above proceedings, Payne, and also Teschner filed patent applications on a device following Sperry's principle"? The "above proceedings" did not begin until June 28, 1937 (at the earliest) so far as Sperry is concerned, and, as we have already pointed

out, Payne filed *before* Sperry; and Teschner filed April 15, 1937.

Petitioner's counsel go on to say (p. 15) that in the later interferences, involving the subsidiary features claimed by Sperry, Payne and Teschner, "further testimony was added in behalf of Sperry", and that this led to the favorable decisions by the Court of Customs and Patent Appeals in these cases. And then they say (top of Page 16) that

"it is in respect to this very testimony of the second interference proceeding that the Court of Appeals affirmed the District Court in excluding it on the ground of irrelevancy and immateriality".

It takes restraint to characterize that statement merely as misleading.

Petitioner's counsel never offered any such testimony.

What the Courts below ruled to exclude were simply the printed transcripts in these later interferences, and on proper grounds.

Petitioner's counsel had full opportunity to bring in such testimony here, but they did not do it, notwithstanding their burden of proof, would they claim prior invention by Sperry.

The argument of petitioner's counsel that the decisions by the Court of Customs and Patent Appeals in the *Sperry-Payne-Teschner* cases "nullified" its decision in the *Sperry-Mayo* case and that it "established" prior invention by Sperry as against Mayo as to the invention at bar is utterly without merit, and their attempt to invoke the doctrine of *Morgan v. Daniels* against respondent in this regard is preposterous.

II.

(Page 17)

The argument of petitioner's counsel here is that, in ruling out the transcripts in Interference 75,056, 75,057 and 75,059 (Patent Appeal Docket No. 4776,, No. 4777 and No. 4778), with the attendant further exhibits, on the ground of immateriality and irrelevancy, the Court of Appeals departed from the principles of *Sinclair Co. v. Interchemical Corporation*, 325 U. S. 327, 330.

That portion of the *Sinclair v. Interchemical* case, to which counsel for petitioner refer, is as follows:

"There has been a tendency among the lower federal courts in infringement suits, to dispose of them where possible on the ground of non-infringement without going into the question of validity of the patent. *Irvin v. Buick Motor Co.*, 88 F. 2d 947, 951; *Aero Spark Plug Co. v. B. G. Corp.*, 130 F. 2d 290; *Franklin v. Masonite Corp.*, 132 F. 2d 800. It has come to be recognized, however, that of the two questions, validity has the greater public importance, *Cover v. Schwartz*, 133 F. 2d 541, and the District Court in this case followed what will usually be the better practice by inquiring fully into the validity of this patent."

This pronouncement, on its face, has no corrective pertinence to the case at bar.

Firstly, it does not in any way relate to the point of the Court's ruling above referred to.

Secondly, the Courts below found infringement, and, of necessity, weighed the issue of validity (R. pp. 431-433, 458-468), finding the patent valid.

III.

(Pages 17-20)

The statement of petitioner's counsel here is that the Court of Appeals based its decision against prior inventorship by Sperry "*solely*" upon a "*single erroneously assumed, easily controvertible, alleged fact*" (italics theirs) (p. 17).

That statement is not correct.

The argument of petitioner's counsel as to said "erroneous assumption" (pp. 18-19) is precisely the same as that presented by it in its petition for rehearing (R. p. 469 et seq.), and it is clear, as we have already said, that the item could not and did not alter the Court's overall appraisal and conclusion, and it decided to pass it by.

Counsel repeat,—(p. 18) "No other fact is used as a basis for the Court's ruling". The attention of the Court is invited to the following portions of the Opinion:—Record, Page 462, lines 18-34, Page 463, first ten lines, and lines 17-27.

In the last full paragraph on Page 19, counsel for petitioner say that Sperry Exhibit 1 was not relied upon to prove either conception or reduction to practice. The point, however, is that Sperry presumes to use the alleged date of Exhibit 1 in placing dates of later exhibits (see Opinion, R. p. 463), and that alleged date is clearly not only not established, but is negatived by respondent's evidence.

In the next paragraph, counsel for Sperry say (pp. 19-20):

"The new testimony in this suit simply shows that Sperry may have been mistaken as to *where* the

blower originated but not as to its date. The date is material, not the place, and it was on the date that the Court of Appeals went astray."

It was pointedly on this matter of date that respondent's evidence disproved this critical piece of the Sperry story.

Petitioner's counsel go on to say (p. 20):

"The Court's error on this point is so clear that Respondent did not deny it."

Of course, as already pointed out, petitioner's counsel have no right to comment upon our reply to their petition for rehearing without including it in the record. Also, as already pointed out, we include a reproduction of it as an appendix hereto in order to make it available to this Court. Attention is invited to the first and second pages thereof in respect of what has just been said.

IV.

(Pages 20-21)

This argument by petitioner's counsel proceeds with tortious presentation, on the fantastic theory that the decisions in the Sperry-Payne-Teschner interferences constituted notice that all the claims of the Mayo patent were invalid, and that, since respondent did not disclaim them pursuant to such "notice", they are all invalid, now that Claim 6 has been held invalid by the Court of Appeals in this case.

It is clear, from what has already been said, that those decisions could not and did not constitute any such notice, and respondent has certainly been vindicated, by the instant case, in not considering them as any such notice.

Respondent had no reason to regard Claim 6 as invalid (and then only for non-compliance with Section 4888 of

the Revised Statutes) until the handing down of the opinion by the Court of Appeals herein, and, pursuant to that opinion, it filed, in the Patent Office, appropriate disclaimer of said claim.

V.

(Pages 22-25)

Petitioner's argument here with reference to Claims 5, 7-10 and 12, is that the Court of Appeals, in the instant case, interpreted the case of *Halliburton Co. v. Walker*, 329 U. S. 1, differently than did the Court of Appeals for the Seventh Circuit in the case of *Refrigeration Patents Corp. v. Stewart-Warner Corp.*, 159 F. 2d 972.

We do not conceive that the decision of this Court in the *Halliburton* case categorically disapproves patent claims in which one or more elements are recited as means for doing this or that. Nor do we conceive, indeed, that the doctrine expressed in the *Halliburton* decision is a novel one, as the Court itself seems to say on Page 11 of the report.

The question of whether or not a claim is invalid for lack of compliance with Rev. Stat. 4888 is, of necessity, peculiar to each case, the test, as we understand it, being whether it would cover all ways of achieving a result, be the means equivalent or non-equivalent. In the *Halliburton v. Walker* case, that was the effect of the claim wording, the crucial element being described merely in terms of what it would do. The situation was quite analogous in the *Refrigeration Patents v. Stewart-Warner* case. In the instant case, the "means" recitations in the claims are of elements, conventional in and of themselves, and not admitting of non-equivalent alternatives.

On page 24, counsel for petitioner say that petitioner's device is "completely different" from the Mayo device. That issue has been fully tried, both Courts below finding to the contrary. Counsel also say that petitioner's device is "radically and basically new". That is not correct. The features to which its patent is directed are subsidiary, and their presence in the accused device does not alter the fact that the device firstly contains the invention of the patent in suit.

Counsel also say that the fact that petitioner obtained the Sperry patent "is conclusive proof that its device does not have substantially the same structure or operate in the same manner as the device of the patent in suit".

That, of course, is not so.

Temco Electric Motor Company v. Apco Manufacturing Company, 275 U. S. 319, 328.

Counsel for petitioner make a mere assertion of analogy between Claims 1 to 4, inclusive, of the patent in suit, and claims involved in the *Refrigeration Patents* case above referred to, and we think that comment thereon here is unnecessary.

The petition for writ of certiorari is without merit and should be denied.

We deplore the length and detail of this brief; in view of the manner and range of petitioner's presentation we could do no other.

Respectfully submitted,

ARTHUR H. BOETTCHER,

Counsel for Respondent.

53 W. Jackson Blvd.

Chicago 4, Illinois.

August 17, 1948.

APPENDIX

IN THE
UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SIXTH CIRCUIT

No. 10548

EXCEL AUTO RADIATOR COMPANY,
Plaintiff-Appellant,

vs.

THE BISHOP AND BABCOCK MANUFACTURING
COMPANY,
Defendant-Appellee.

CIVIL ACTION NO. 22,354
APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION.

**APPELLEE'S COMMENTS ON
APPELLANT'S PETITION FOR REHEARING.**

We are aware that the rules of this Court do not provide for reply to a petition for rehearing, but we tender these comments, should the Court care to receive them.

1.

On page 4 of their petition, after referring to testimony on behalf of defendant in regard to its Exhibit M-28, counsel for plaintiff-appellant say:

"In view of this unquestioned testimony appellant has always regarded the so-called Midwest line of evidence as utterly immaterial, and incapable of proving anything of consequence in the case. We do not know for what purpose the Midwest evidence was introduced by appellee; its only effect could be to confuse the issues, as it obviously did."

We doubt that counsel for appellant do not know why the Midwest evidence was introduced by defendant. It was to disprove a critical piece of the Sperry story, and it does precisely that.

Mr. Sperry testified on cross examination (Plaintiff's Exhibit 20, pp. 51-52):

"XQ. 114. When Sperry Exhibit 1 was made up, where did you acquire the blower?

"A. That blower, a pair of blowers, right and left, were acquired from a bakelite molding company who *had previously supplied these blowers to a concern who made heaters for the Goodrich Rubber Company.*

"XQ. 115. Do you know which bakelite molding company that was?

"A. I believe it was the Midwest Molding Company.

"XQ. 116. Here in Chicago?

"A. That's right.

"XQ. 117. And what concern was it who made those heaters for the Goodrich Rubber Company?

"A. I believe it was a concern in Detroit, the name I don't recall."

(Italics ours.)

When investigation showed that Midwest's supply of blowers for Goodrich heaters did not begin until September, 1936, it was in order to take the available evidence in that regard. That evidence certainly established that fact, and the only alternative is that Mr. Sperry's explanation of the source of the blower wheel in his Exhibit 1 was total fabrication. Now, when and where Sperry or his department got the blower remains unknown to defendant and to the record. That it originated with Bishop & Babcock's supplier is indicated by the exhibit itself, which is plaintiff's dilemma, not defendant's. As the Court knows, plaintiff produced no witness at the trial; it announced (R. p. 33), referring to Interference 73,751 (the only one pertinent here):

"Mr. Zabel: Might I say we are not challenging what the Patent Office decided in the interference, and we are not asking for a re-decision of the Patent Office interference. It is just they are dictionary out of which certain things must be examined.

"Mr. Boettcher: Do I understand from that, so that we will save time, that you withdraw paragraph 7 of your Complaint?

"Mr. Zabel: No.

"Mr. Boettcher: You still leave it there."

Since the closing of the proofs, plaintiff-appellant has persistently challenged that decision; indeed, now it is confining itself to such challenge.

2.

The above constitutes one of the "monuments directly contrary to the Sperry story as told in the interference" (Our main brief, p. 54).

Another is this—

Mr. Sperry testified (Plaintiff's Exhibit 20, p. 39), and Mr. Lake testified (same exhibit, p. 61) that Sperry Exhibit 6 (Plaintiff's Exhibit 6) was mounted in an Excel H-60 heater, the H-60 heater being evidenced only by a picture in an Excel circular (Sperry Exhibit 7—Plaintiff's Exhibit 7).

The picture presents no dimensions, so we endeavored, in this case, to get the facts about those heaters. Calling Mr. Briskin, president of the plaintiff company, under Rule 26, we sought to have him produce an H-60 heater, or at least drawings of them, but to no avail (R. pp. 96-97). Whereupon, we located one ourselves, called Mr. Briskin again, and had him identify it (R. pp. 190-131). This H-60 heater is Defendant's Exhibit CC.

The two exhibits, Plaintiff's Exhibit 6 and Defendant's Exhibit CC, speak for themselves to the conclusion that Plaintiff's Exhibit 6 will not fit into Exhibit CC. It is enough to point out here that the over-all propeller fan diameter of Exhibit 6 is greater than the width of the casing of Exhibit CC.

3.

Another is this—

Mr. Lake testified on direct examination (Plaintiff's Exhibit 20, p. 63):

"Q. 25. Do you recall anything after your return from the 1935 sales lectures that would enable you to more definitely identify when you saw Sperry Exhibit 6?

"A. After returning from my 1935 sales trip I saw these two blowers (indicating Exhibits 2 and 4).

"Q. 26. Do you have anything written that would aid you in fixing the date?

"A. I have found a memorandum which I have here, which I wrote and dated on November 29, 1935, which definitely establishes the fact that shortly prior to this date that I had seen the defroster blower;"

(Mr. Lake, "advertising and selling for Excel Auto Radiator Company"—Plaintiff's Exhibit 20, p. 60—doing a bit of selling on the witness stand.)

"as a matter of fact, I saw both of those before this time (indicating Exhibits 2 and 4)."

The memorandum referred to, Plaintiff's Exhibit 10, lists "11. Defroster Attachment", and the above quoted testimony could mislead the chancellor if he did not know that, at the time of that memorandum, Excel had a "defroster attachment", a hose connection, for its H-60 heater (which had only the one conventional propeller fan), piping some of the hot air in the casing up to the

windshield. That fact was established here by further examination of Mr. Briskin, as follows, with reference to this H-60 heater, Defendant's Exhibit CC (Exhibit R in the deposition) (R. pp. 131-132):

"Q. 13. Mr. Briskin, in some remarks that you have made off the record you mentioned an opening for a defroster connection. Will you please state on the record what that remark was.

"A. 13. We decided to put a defroster attachment on here. There was a round hole in the body here (indicating) to put in the defroster attachment in the side, as it comes off the fan. We had a nozzle that went up to the windshield.

"Q. 14. Mr. Briskin, will you please mark the casing, showing just what you mean by an opening for a defroster connection.

"A. 14. A round hole right here (indicating). Then we had a little hole here for a screw, and then we had a little flange. I don't know whether it was a 1 $\frac{3}{4}$ or 2-inch opening there for a defroster opening, if anybody wanted a defroster in there. Now, the Raffel Manufacturing Company put in a die when they built a die in 1932.

"By Mr. Boettcher: Let the record show that the witness has drawn a circle, and two small circles, with a blue pencil, on the side of the casing of Exhibit R."

(Those markings on the exhibit are covered with a piece of cellophane.)

The attention of the Court is invited to the exhibit, now Defendant's Exhibit CC.

If the Sperry story were a true one, Mr. Lake would have been a key witness for explanatory testimony for the plaintiff in this case. Plaintiff's counsel didn't call him.

On pages 4-5 of their petition for rehearing, plaintiff's counsel argue that the decisions of the Court of Customs and Patents Appeals in the Sperry-Payne-Teschner interferences (75,056, 75,057 and 75,058) have effect, and determinative effect, in this case.

That is clearly wrong for a number of reasons.

Firstly, those cases are immaterial and irrelevant here because the issues there were of first inventorship, as between Sperry and Payne or Teschner, not as between Sperry and Mayo, and of subject matter different from that involved here. (The fact that defendant-appellee was assignee of Mayo and Teschner and in privity with Payne can not alter that in the slightest.)

Secondly, even the decision in a material and relevant interference, like Interference 73,751, is not binding on the Court here. *United Shoe Machinery Corporation v. Muther*, 288 F. 283.

Thirdly, the depositions printed in the transcripts, Exhibits 17, 18 and 19, are not testimony in this case, and plaintiff's attempted use of them as such is a gross abuse of Paragraph 6 of the stipulation of March 18, 1946 (R. p. 19).

Fourthly, defendant's evidence in this case shows that the Court was misled in the Sperry-Payne-Teschner cases.

As to plaintiff's attempt to invoke the rule of *Morgan v. Daniels* against defendant, it suffices to say that the burden of proof of prior invention is upon him who alleges it.

On page 6 of their petition for rehearing, plaintiff's counsel, for the first time, question the award of attor-

ney's fees in the judgment (R. p. 439). Under the statute, such award lay in the discretion of the District Court, it is appropriate in this case, it was not questioned on this appeal, and it is clearly improper to question it before this Court now.

6.

As to Claim 6 of the patent in suit: In view of the opinion of this Court as to this claim, defendant is disclaiming it, and we think the mandate should direct the District Court to amend the judgment to accordance with said opinion.

Respectfully submitted,

ARTHUR H. BOETTCHER,

ARTHUR C. JOHNSON,

Of Counsel for Appellee.

BROWN, JACKSON, BOETTCHER & DIENNER,
53 West Jackson Blvd., Chicago, Illinois,

M. B. & H. H. JOHNSON,
JOHN T. SCOTT,
1669 Union Commerce Bldg., Cleveland 14, Ohio,
Attorneys for Defendant-Appellee.